

Before the  
POSTAL REGULATORY COMMISSION  
Washington, DC 20268-0001

Notice of Market-Dominant :  
Price Adjustment : Docket No. R2021-1

COMMENTS OF THE GREETING CARD ASSOCIATION

The Greeting Card Association (GCA) files these comments pursuant to Commission Order No. 5719. GCA, comprising about 200 greeting card publishers and related companies, speaks for the individual household mailer.

In this Docket, GCA is not raising cap compliance issues. We do offer comment on two aspects of the proposed Single-Piece First-Class rates, as contemplated by Rule 3030.511(c) (39 CFR sec. 3030.511(c)).

I. The increased extra ounce charge

GCA commends the Postal Service's decision not to increase the first-ounce rate for Stamped Single-Piece First-Class Letters. At a time when family and other personal relationships must rely especially heavily on communication through written media rather than face-to-face, the general public will benefit from this stability in the cost of a greeting card or letter. In addition, it definitely promotes the objective of 39 U.S.C. sec. 3622(b)(2) (stable and predictable rates).

We do wish to direct attention to the disparity in the way additional ounces are treated, as between Single-Piece and Presort letters. Presort letters are not charged for additional weight, up to the 3.5-ounce limit. Single-Piece mailer must now pay \$0.15 for each such ounce, but in January 2021, under the proposed rates, would be charged

\$0.20 for each one. It is time for both the Postal Service and the Commission to consider whether this disparity is questionable – particularly under sec. 3622(b)(8) (just and reasonable rate schedule).

## II. Improvement in Metered Letter pricing

In Docket C2020-2, the Commission found that the cost differential between a stamped and a metered letter was \$0.0464<sup>1</sup>, and decided that this difference was sufficiently close to the \$0.05 price differential that the Metered Letter rate need not be disturbed. GCA's complaint had discussed the effect on Presort rates of a Metered Letter differential exceeding the cost difference: since Presort rates are based on the Metered Letter rate as a benchmark, an excessive differential artificially depressed Presort prices all the way down the Presort tree.

By proposing a \$0.51 Metered Letter price, the Postal Service appears to have eliminated the remaining, relatively minor, depressive effect on Presort. We base this conclusion on the Commission's C2020-2 finding of a \$0.0464 cost difference. A Metered Letter price of \$0.51 would bring the differential down to \$0.04, clearly within the cost difference. GCA believes this pricing decision should be continued in the future, both to promote fairness in Single-Piece pricing and to avoid artificial effects on Presort prices.

October 29, 2020

Respectfully submitted,

GREETING CARD ASSOCIATION

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<sup>1</sup> Order No. 5491, Table 7.